

October 10, 2012

ITEM NO. B1

**AUTHORIZATION TO APPROVE THE FY2013 MOVING TO WORK ANNUAL PLAN
(FY2013 MTW Annual Plan)**

To the Honorable Board of Commissioners:

RECOMMENDATION

It is recommended that the Board of Commissioners approve the FY2013 MTW Annual Plan.

The Executive Vice President (EVP) and the Office of the General Counsel have completed all necessary due diligence to support the submission of this initiative and recommend the approval of this item accordingly.

CORPORATE GOAL

- 1. Provide more housing options for families**
- 2. Assist residents in achieving self-sufficiency**
- 3. Increase the cost-effectiveness of public housing and HCV program administration.**

GENERAL BACKGROUND

On January 6, 2000, the Chicago Housing Authority (CHA) Board of Commissioners approved the Plan for Transformation, which called for sweeping changes in both the administration and operation of CHA. The Plan for Transformation was approved by the U.S. Department of Housing and Urban Development (HUD) and incorporated into a Moving to Work (MTW) Demonstration Agreement, which was executed on February 6, 2000. The Agreement was subsequently amended in February 2001, requiring CHA to submit an annual plan to HUD, describing anticipated activities that will utilize MTW flexibility.

On June 26, 2008, CHA executed an Amended and Restated MTW Agreement (Restated Agreement) between itself and HUD, which supersedes the original MTW Agreement. The Restated Agreement extends CHA's participation in the MTW Demonstration to the end of FY2018. CHA's continued participation in the MTW Program is contingent upon adherence to the requirements set out in the Restated Agreement, which includes submission of an Annual Plan. The document represents CHA's FY2013 MTW Annual Plan and details CHA's anticipated activities for FY2013.

Per HUD guidelines, CHA has organized the discussions of activities in the FY2013 MTW Annual Plan under the following Sections: Introduction, General Housing Authority Operating Information, Non-MTW Related Housing Authority Information, Long-Term MTW Plan, Proposed MTW Activities – HUD Approval Requested, Ongoing MTW Activities - HUD Approval Previously Granted, Sources and Uses of Funds, and Administrative.

Each activity CHA seeks to engage in that either uses MTW funds or requires a MTW regulatory waiver, has to meet at least one of the following three MTW Statutory Objectives:

- **MTW Statutory Objective I:** Increase housing choices for low-income families.
- **MTW Statutory Objective II:** Give incentives to families with children where the head of household is working, seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient.
- **MTW Statutory Objective III:** Reduce costs and achieve greater cost effectiveness in federal expenditures.

Prior to submission of the FY2013 MTW Annual Plan to the Board, a 30-day public comment period was conducted wherein both residents and the public alike were able to submit comments orally and in writing, regarding the information contained in the proposed Plan. The public comment period ran from August 31 through October 1, 2012. During such time, on September 11, 2012, a public comment hearing was held. Prior to finalizing the FY2013 MTW Annual Plan, CHA gave consideration to comments received during the public comment period.

To this end, CHA has complied with the requirements of the Restated Agreement and HUD regulations regarding annual plans. CHA requests that the Board of Commissioners approve the FY2013 MTW Annual Plan, and the form, CHA Certifications of Compliance with MTW Plan Requirements and Related Regulations. Pending Board approval, CHA will submit the FY2013 MTW Annual Plan to HUD.

The Board action recommended in this item complies in all material respects with all applicable Chicago Housing Authority board policies and all applicable federal (HUD) laws.

The EVP concurs with the recommendation to approve the FY2013 MTW Annual Plan.

The CEO/President recommends the approval of the FY2013 MTW Annual Plan.

RESOLUTION NO. 2012-CHA-82

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated October 10, 2012 entitled "AUTHORIZATION TO APPROVE THE FY2013 MOVING TO WORK ANNUAL PLAN

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby approves the FY2013 MTW Annual Plan, and the form, CHA Certifications of Compliance with MTW Plan Requirements and Related Regulations.

THAT the Board of Commissioners ("Board") authorizes the Chief Executive Officer or his designee to approve any final changes to the FY2013 MTW Annual Plan. Such approval shall constitute conclusive evidence of the Board's approval of any and all such changes.

THAT, this approval of the FY2013 MTW Annual Plan supersedes any and all conflicting language found in prior CHA MTW Annual Plans.

THAT, the Board of Commissioners hereby grants authorization to submit the FY2013 MTW Annual Plan to the U.S. Department of Housing and Urban Development.

